

No. 6/46/DPM

Jakarta, October 29, 2004

CIRCULAR LETTER

To

ALL COMMERCIAL BANKS

IN INDONESIA

Concerning : The Fourth Alteration on Bank Indonesia Circular Letter No. 6/20/DPM Dated April 26, 2004 Concerning the Interest Rate for Deposit and Inter Bank Money Market Under Government Guarantee.

In reference to Article 3 of Bank Indonesia Regulation Number 6/11/PBI/2004 dated April 12, 2004 concerning the Blanket Guarantee Interest Rate for Deposit and Interbank Money Market (The State Gazette of the Republic Indonesia of 2004 Number 39, The Supplement to the State Gazette of the Republic of Indonesia Number 4383), it is deemed necessary to alter several points in the Circular Letter Number 6/20/DPM dated April 26, 2004 concerning the Interest Rate for Third Party Deposit under Government Guarantee and Interbank Money Market, to be read as follows:

1. Point I.B.2 is altered to be read as follows:

"2. The maximum margin for the interest rate for Third Party Deposit in Rupiah is set at:

Period of Deposit	Margin (basis point)
1 month	Subtracted by 5 (five)
3 months	Added by 0 (sero)
6 months	Added by 5 (five)
12 months	Added by 20 (twenty)
24 months	Added by 50 (fifty)

of 3 (three) month SBI weighted average discount rate on the last auction.

2. Point...

2. Point I.B.4 is altered to be read as follows:

"4. The maximum margin for Third Party Deposit interest rate in US Dollars foreign currency under Government Guarantee for the period of 1, 3, 6, 12 and 24 months is each added by 3 (three) basis points above the average deposited interest rate in US Dollars foreign currency at Jakarta Inter Bank Offered Rates (JIBOR) member banks selected by Bank Indonesia 1 (one) month earlier."

3. Point II.B is altered to be read as follows:

"B. The Maximum PUAB Interest Rate

- a. The maximum PUAB interest rate under Government Guarantee in Rupiahs is set at 73 (seventy three) basis points above the weighted average morning overnight PUAB interest rate in Rupiahs at JIBOR member banks selected by Bank Indonesia 1 (one) month earlier.
- b. The maximum PUAB interest rate in US Dollars foreign currency under Government guarantee is set at 82 (eighty two) basis points under the weighted average morning overnight PUAB interest rate in US Dollars foreign currency at JIBOR bank members selected by Bank Indonesia 1 (one) month earlier."

The provisions in this Circular Letter shall come into force on October 29, 2004.

For the public to be informed, it is ordered that this Circular Letter be promulgated in the State Gazette of the Republic of Indonesia.

Kindly be informed.

BANK INDONESIA,

SUGENG
DEPUTY DIRECTOR
MONETARY MANAGEMENT